

6133
RECEIVED
LEGISLATIVE AUDITOR
2010 JUN 18 AM 10:50

EVANGELINE PARISH WARD ONE
FIRE DISTRICT NO. 2
Financial Report
Year Ended December 31, 2009

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 8/11/10

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor's Report	1-2
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)	
Statement of net assets	5
Statement of activities	6
FUND FINANCIAL STATEMENTS (FFS)	
Balance sheet - governmental fund - general fund	8
Reconciliation of the governmental fund's balance sheet to the statement of net assets	9
Statement of revenues, expenditures, and changes in fund balance- governmental fund - general fund	10
Reconciliation of the statement of revenues, expenditures, and changes in fund balance of the governmental fund to the statement of activities	11
Notes to basic financial statements	12-19
REQUIRED SUPPLEMENTARY INFORMATION	
Budgetary comparison schedule: General Fund	21
INTERNAL CONTROL AND COMPLIANCE	
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	23-24
Schedule of findings and questioned costs	25-26
Schedule of prior year findings	27

Chizal S. Fontenot, CPA
James L. Nicholson, Jr., CPA
G. Kenneth Pavy, II, CPA
Michael A. Roy, CPA
Lisa Trouille Manuel, CPA
Dana D. Quebedeaux, CPA



JOHN S. DOWLING & COMPANY
A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

John S. Dowling, CPA
1904-1984
John Newton Stout, CPA
1936-2005

Retired

Harold Dupre, CPA
1996
Dwight Ledoux, CPA
1998
Joel Lanclos, Jr., CPA
2003
Russell J. Stelly, CPA
2005

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Evangeline Parish Ward One Fire District No. 2
Ville Platte, Louisiana

We have audited the accompanying financial statements of the governmental activities and the major fund of the Evangeline Parish Ward One Fire District No. 2 (Fire District), a component unit of the Evangeline Parish Police Jury, as of and for the year ended December 31, 2009, which collectively comprise the Fire District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Fire District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of Evangeline Parish Ward One Fire District No. 2 (Fire District), as of December 31, 2009 and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.


In accordance with Government Auditing Standards, we have also issued our report dated June 17, 2010, on our consideration of Evangeline Parish Ward One Fire District No. 2's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

To the Board of Directors
Evangeline Parish Ward One Fire District No. 2
Page 2

The required supplementary information on page 21 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The Evangeline Parish Ward One Fire District No. 2 has not presented management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Fire District's financial statements as a whole. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.


Opelousas, Louisiana
June 17, 2010

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)**

Evangeline Parish Ward One Fire District No. 2
Ville Platte, Louisiana

Statement of Net Assets
December 31, 2009

ASSETS

Current assets:	
Cash and interest-bearing deposits	\$ 327,096
Receivables, net	561,697
Prepaid expense	<u>107,800</u>
Total current assets	996,593
Noncurrent assets:	
Capital assets, net	<u>745,480</u>
Total assets	<u>1,742,073</u>

LIABILITIES

Current liabilities:	
Accounts and other payables	263
Accrued interest	1,716
Capital lease	39,142
Certificates of indebtedness	<u>21,000</u>
Total current liabilities	<u>62,121</u>
Noncurrent liabilities:	
Capital lease	102,516
Certificates of indebtedness	<u>147,000</u>
Total noncurrent liabilities	<u>249,516</u>
Total liabilities	<u>311,637</u>

NET ASSETS

Invested in capital assets, net of related debt	435,823
Restricted for purchase of fire truck	154,544
Unrestricted	<u>840,069</u>
Total net assets	<u>\$1,430,436</u>

The accompanying notes are an integral part of the basic financial statements.

Evangeline Parish Ward One Fire District No. 2
Ville Platte, Louisiana

Statement of Activities
For the Year Ended December 31, 2009

Expenses:	
Public safety	\$ 418,167
Interest on long-term debt	<u>14,106</u>
Total governmental activities expenses	<u>432,273</u>
General revenues:	
Ad valorem taxes	539,558
State revenue sharing	42,926
Fire insurance rebate	30,265
Interest and investment earnings	<u>317</u>
Total general revenues	<u>613,066</u>
Change in net assets	180,793
Net assets, January 1, 2009	<u>1,249,643</u>
Net assets, December 31, 2009	<u>\$1,430,436</u>

The accompanying notes are an integral part of the basic financial statements.

FUND FINANCIAL STATEMENTS (FFS)

Evangeline Parish Ward One Fire District No. 2
Ville Platte, Louisiana

Balance Sheet
Governmental Fund - General Fund
December 31, 2009

ASSETS

Cash and interest-bearing deposits	\$ 327,096
Receivables, net	561,697
Prepaid expense	<u>107,800</u>
Total assets	<u>\$ 996,593</u>

LIABILITIES AND FUND BALANCE

Liabilities:	
Accounts payable	<u>\$ 263</u>
Fund balance:	
Reserved for purchase of fire truck	154,544
Unreserved, undesignated	<u>841,786</u>
Total fund balance	<u>996,330</u>
Total liabilities and fund balance	<u>\$ 996,593</u>

The accompanying notes are an integral part of the basic financial statements.

Evangeline Parish Ward One Fire District No. 2
Ville Platte, Louisiana

Reconciliation of the Governmental Fund's Balance Sheet
to the Statement of Net Assets
December 31, 2009

Total fund balance for the governmental fund at December 31, 2009		\$ 996,330
Cost of capital assets at December 31, 2009	\$ 1,736,269	
Less: Accumulated depreciation	<u>(990,789)</u>	745,480
Long-term liabilities at December 31, 2009:		
Accrued interest payable	(1,716)	
Capital leases payable	(141,658)	
Certificates of Indebtedness payable	<u>(168,000)</u>	<u>(311,374)</u>
Total net assets of governmental activities at December 31, 2009		<u>\$1,430,436</u>

The accompanying notes are an integral part of the basic financial statements.

Evangeline Parish Ward One Fire District No. 2
Ville Platte, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Fund - General Fund
For the Year Ended December 31, 2009

Revenues:	
Ad valorem tax	\$ 539,558
State revenue sharing	42,926
Fire insurance rebate	30,265
Interest income	<u>317</u>
Total revenues	<u>613,066</u>
Expenditures:	
Current -	
Advertising	2,075
Fuel	7,701
Insurance	30,502
Miscellaneous	836
Office	2,470
Pension expense	17,576
Professional fees	10,745
Rent	2,071
Repairs and maintenance	43,018
Salaries and related benefits	172,168
Supplies	15,359
Telephone	2,369
Training	522
Uniforms	2,140
Utilities	5,904
Capital Outlay	8,049
Debt Service -	
Principal retirement	108,173
Interest	<u>13,159</u>
Total expenditures	<u>444,837</u>
Excess of revenues over expenditures	168,229
Other financing sources:	
Proceeds from long term debt	<u>168,000</u>
Net change in fund balance	336,229
Fund balance, beginning	<u>660,101</u>
Fund balance, ending	<u>\$ 996,330</u>

The accompanying notes are an integral part of the basic financial statements.

Evangeline Parish Ward One Fire District No. 2
Ville Platte, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balance of the Governmental Fund
to the Statement of Activities
For the Year Ended December 31, 2009

Total net change in fund balance for the year ended December 31, 2009 per Statement of Revenues, Expenditures and Changes in Fund Balance	\$336,229
Capital outlay which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balance	8,049
Depreciation expense for year ended December 31, 2009	(102,711)
Certificates of indebtedness proceeds	(168,000)
Bond principal retirement and capital lease principal payments	108,173
Difference between interest on long-term debt on modified accrual basis versus interest on long-term debt on accrual basis	<u>(947)</u>
Total change in net assets at December 31, 2009 per Statement of Activities	<u>\$180,793</u>

The accompanying notes are an integral part of the basic financial statements.

EVANGELINE PARISH WARD ONE FIRE DISTRICT NO. 2
Ville Platte, Louisiana

Notes to the Basic Financial Statements

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the Evangeline Parish Ward One Fire District No. 2 (Fire District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:513 and to the industry audit guide, Audits of State and Local Governments.

The following is a summary of certain significant accounting policies:

A. Financial Reporting Entity

The Evangeline Parish Ward One Fire District No. 2 (hereafter referred to as the "Fire District") has been created by and in accordance with provisions of Part I, Chapter 7, Title 40 of the Louisiana Revised Statutes of 1950 for the purpose of fire protection in the Evangeline Parish area. The Fire District's board consists of four members who are appointed by the Evangeline Parish Police Jury and serve four year terms. Board members receive no compensation.

This report includes all funds, which are controlled by or dependent on the Fire District and legislative branches (the President and Board of Commissioners). Control by or dependence on the Fire District was determined on the basis of general oversight responsibility.

B. Basis of Presentation

Government-wide Financial Statements (GWFS)

The statement of net assets and statement of activities display information about the reporting government as a whole. They include the fund of the reporting entity, which is considered to be a governmental activity.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Fire District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients for goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

EVANGELINE PARISH WARD ONE FIRE DISTRICT NO. 2
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

Fund Financial Statements (FFS)

The accounts of the Fire District are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The fund of the Fire District is classified as a governmental fund. The emphasis on fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the entity or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The major fund of the Fire District is described below:

Governmental Fund -

General Fund

The General Fund, as provided by Louisiana Revised Statute 13:781, is the principal fund of the Fire District and is used to account for the operations of the Fire District's office. The various fees and charges due to the Fire District's office are accounted for in this fund. General operating expenditures are paid from this fund.

EVANGELINE PARISH WARD ONE FIRE DISTRICT NO. 2
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

C. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net assets and the statement of activities, governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery) and financial position. All assets and liabilities (whether current or noncurrent) associated with its activities are reported. Government-wide fund equity is classified as net assets. In the fund financial statements, the “current financial resources” measurement focus is used. Only current financial assets and liabilities are generally included on its balance sheet. Their operating statement presents sources and uses of available spendable financial resources during a given period. This fund uses fund balance as its measure of available spendable financial resources at the end of the period.

Basis of Accounting

In the government-wide statement of net assets and statement of activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Revenues are classified by source and expenditures are classified by function and character. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

When both restricted and unrestricted resources are available for use, it is the Fire District’s policy to use restricted resources first, then unrestricted resources as they are needed.

EVANGELINE PARISH WARD ONE FIRE DISTRICT NO. 2
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

D. Assets, Liabilities and Equity

Cash and interest-bearing deposits

For purposes of the statement of net assets, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the Fire District.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include ad valorem taxes and state revenue sharing.

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Fire District maintains a threshold level of \$5,000 or more for capitalizing capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Depreciation of all exhaustible capital assets is recorded as an expense in the statement of activities, with accumulated depreciation reflected in the statement of net assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Furniture, fixtures and equipment	5-15 years
Buildings and improvements	40 years

Long-term debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term debt consists primarily of the certificates of indebtedness and capital leases payable.

EVANGELINE PARISH WARD ONE FIRE DISTRICT NO. 2
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary fund long-term debt is the same in the fund statements as it is in the government-wide statements.

Equity Classifications

In the government-wide statements, equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

In the fund statements, governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated.

E. Budgetary and Budgetary Accounting

A budget for the General Fund was prepared on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally prepared or as amended by the Fire District. All budgetary appropriations lapse at the end of each fiscal year.

F. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

EVANGELINE PARISH WARD ONE FIRE DISTRICT NO. 2
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

G. Other Post-Employment Benefits (OPEB)

The Fire District does not provide any post-employment benefits to retirees other than pension and therefore is not required to report under GASB Statement No. 45, Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions.

(2) Cash and Interest-Bearing Deposits

Under state law, the Fire District may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Fire District may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2009, the Fire District has cash and interest-bearing deposits (book balances) totaling \$327,096 as follows:

	<u>Governmental Activities</u>
Non-interest bearing deposits	\$ 319,807
Interest-bearing deposits	<u>7,289</u>
Total	<u>\$ 327,096</u>

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Fire District's deposits may not be recovered or will not be able to recover collateral securities that are in the possession of an outside party. The Fire District does not have a policy for custodial credit risk however, under state law these deposits (or the resulting bank balances) must be secured by federal deposit insurance or similar federal security or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. As of December 31, 2009, bank balances in the amount of \$330,401 were secured in total by federal deposit insurance.

(3) Capital Assets

Capital asset balances and activity for the year ended December 31, 2009 are as follows:

	Balance 01/01/09	Additions	Deletions	Balance 12/31/09
Furniture, fixtures and equipment	\$ 1,490,191	\$ 8,049	\$ -	\$ 1,498,240
Land	7,000	-	-	7,000
Improvements	<u>231,029</u>	-	-	<u>231,029</u>
Total capital assets	1,728,220	8,049	-	1,736,269
Less: Accumulated depreciation	<u>888,078</u>	<u>102,711</u>	-	<u>990,789</u>
Net capital assets	<u>\$ 840,142</u>	<u>\$ (94,662)</u>	<u>\$ -</u>	<u>\$ 745,480</u>

EVANGELINE PARISH WARD ONE FIRE DISTRICT NO. 2
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

Depreciation expense of \$102,711 was charged to the public safety function for the year ending December 31, 2009.

(4) Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied in September or October and billed to the taxpayers by the Evangeline Parish Sheriff in December. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. The taxes are based on assessed values determined by the Evangeline Parish Assessor and are collected by the Sheriff.

For the year ended December 31, 2009, taxes were levied at the rate of 11.29 mills on property with assessed valuations totaling \$47,864,540.

Total taxes levied during 2009 were \$540,395. Taxes receivable at December 31, 2009 were \$520,076 net of an allowance for uncollectible taxes of \$1,305.

(5) Changes in Long-Term Debt

The following is a summary of the long-term obligation transactions during the year:

	<u>Certificates of Indebt.</u>	<u>Capital lease</u>
Long term obligations payable, December 31, 2008	\$ 71,000	\$ 178,831
Additions	168,000	-
Deletions	<u>(71,000)</u>	<u>(37,173)</u>
Long term obligations payable, December 31, 2009	<u>\$ 168,000</u>	<u>\$ 141,658</u>

Long-term debt at December 31, 2009 is comprised of the following:

\$168,000 Certificates of Indebtedness, Series 2009, dated March 26, 2009, due in annual installments of \$21,000 - \$27,000 through March 1, 2016, interest at 3.6%, secured by an irrevocable pledge and dedication of the funds to be derived from the levy and collection of special taxes	<u>\$ 168,000</u>
--	-------------------

The Fire District is obligated under two capital leases as of December 31, 2009. The leased assets are accounted for in capital assets at a cost of \$371,139.	<u>\$ 141,658</u>
--	-------------------

EVANGELINE PARISH WARD ONE FIRE DISTRICT NO. 2
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

The certificates of indebtedness and capital assets are due as follows:

Year ending December 31,	Governmental Activities			
	Certificates of Indebtedness		Capital Leases	
	Principal payments	Interest payments	Principal payments	Interest payments
2010	\$ 21,000	\$ 4,860	\$ 39,142	\$ 7,821
2011	22,000	4,266	41,216	5,746
2012	23,000	3,636	19,290	3,562
2013	24,000	2,970	20,412	2,441
2014	25,000	2,268	21,598	1,255
2015-2016	53,000	1,926	-	-
	<u>\$ 168,000</u>	<u>\$ 19,926</u>	<u>\$ 141,658</u>	<u>\$ 20,825</u>

(6) Risk Management

The Fire District is exposed to risks of loss in the areas of auto and property liability and workers' compensation. All of these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year.

(7) Litigation

There is no litigation pending against the Fire District at December 31, 2009.

(8) Subsequent Events

Subsequent events were evaluated through June 17, 2010. As of that date, there were no subsequent events noted.

**REQUIRED
SUPPLEMENTARY INFORMATION**

Evangeline Parish Ward One Fire District No. 2
Ville Platte, Louisiana

Budgetary Comparison Schedule
General Fund
Year Ended December 31, 2009

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Ad valorem tax	\$ 350,000	\$ 350,000	\$ 539,558	\$ 189,558
State revenue sharing	40,000	40,000	42,926	2,926
Fire insurance rebate	25,000	25,000	30,265	5,265
Interest income	-	-	317	317
Total revenues	<u>415,000</u>	<u>415,000</u>	<u>613,066</u>	<u>198,066</u>
Expenditures:				
Current -				
Advertising	1,000	1,000	2,075	(1,075)
Fuel	10,000	10,000	7,701	2,299
Insurance	26,000	26,000	30,502	(4,502)
Miscellaneous	-	-	836	(836)
Office	-	-	2,470	(2,470)
Pension expense	9,000	9,000	17,576	(8,576)
Professional fees	3,500	3,500	10,745	(7,245)
Rent	-	-	2,071	(2,071)
Repairs and maintenance	30,000	30,000	43,018	(13,018)
Salaries and related benefits	190,116	190,116	172,168	17,948
Supplies	4,200	4,200	15,359	(11,159)
Telephone	1,000	1,000	2,369	(1,369)
Training	-	-	522	(522)
Uniforms	-	-	2,140	(2,140)
Utilities	12,300	12,300	5,904	6,396
Capital outlay	-	-	8,049	(8,049)
Debt Service -				
Principal retirement	108,173	108,173	108,173	-
Interest	15,380	15,380	13,159	2,221
Total expenditures	<u>410,669</u>	<u>410,669</u>	<u>444,837</u>	<u>(34,168)</u>
Excess of revenues over expenditures	4,331	4,331	168,229	163,898
Other financing sources:				
Proceeds from long-term debt	-	168,000	168,000	-
Net changes in fund balance	4,331	172,331	336,229	163,898
Fund balance, beginning	<u>660,101</u>	<u>660,101</u>	<u>660,101</u>	-
Fund balance, ending	<u>\$ 664,432</u>	<u>\$ 832,432</u>	<u>\$ 996,330</u>	<u>\$ 163,898</u>

**INTERNAL CONTROL
AND COMPLIANCE**

Chizal S. Fontenot, CPA
James L. Nicholson, Jr., CPA
G. Kenneth Pavy, II, CPA
Michael A. Roy, CPA
Lisa Trouille Manuel, CPA
Dana D. Quebedeaux, CPA



JOHN S. DOWLING & COMPANY
A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

John S. Dowling, CPA
1904-1984
John Newton Stout, CPA
1936-2005

Retired

Harold Dupre, CPA
1996
Dwight Ledoux, CPA
1998
Joel Lanclos, Jr., CPA
2003
Russell J. Stelly, CPA
2005

REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors
Evangeline Parish Ward One Fire District No. 2
Ville Platte, Louisiana

We have audited the accompanying financial statements of the governmental activities and the major fund of Evangeline Parish Ward One Fire District No. 2 (Fire District), a component unit of the Evangeline Parish Police Jury, as of and for the year ended December 31, 2009, which collectively comprise the Fire District's basic financial statements and have issued our report thereon dated June 17, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Fire District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Fire District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Fire District's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Fire District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed two instances of noncompliance that are required to be reported under Government Auditing Standards which are described in the accompanying Schedule of Findings and Questioned Costs as item 2009-1 and 2009-2.

The Fire District's response to the findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the Fire District's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Fire District, its Directors and the appropriate regulatory agency and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

John S. Dowling & Company

Opelousas, Louisiana
June 17, 2010

EVANGELINE PARISH WARD ONE FIRE DISTRICT NO. 2
VILLE PLATTE, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2009

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the basic financial statements of Evangeline Parish Ward One Fire District No. 2
2. No significant deficiencies relating to the audit of the financial statements are reported in the Report on Internal Control over Financial Reporting and on Compliance and on other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.
3. Two instances of noncompliance material to the financial statements of Evangeline Parish Ward One Fire District No. 2 were disclosed during the audit.
4. There was no single audit required under OMB Circular A-133.

B. 2009 FINANCIAL STATEMENT FINDINGS – AUDIT

INTERNAL CONTROL

None

COMPLIANCE

2009-1 Budget Amendment

Condition: The budget was not properly amended for the General Fund.

Criteria: The Louisiana Local Government Budget Act (RS 39:1310) states that the budget must be amended when actual expenditures exceed budgeted expenditures by 5 percent or more.

Cause: The budget was not properly amended.

Effect: Actual expenditures exceeded budgeted expenditures in the General Fund by \$34,168 which is a variance of 8.3 percent.

Response: In the future, the Fire District will follow all requirements of the Louisiana Local Government Budget Act.

EVANGELINE PARISH WARD ONE FIRE DISTRICT NO. 2
VILLE PLATTE, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2009

2009-2 Budget Amendment

Condition: The amended budget was not properly adopted in an open meeting.

Criteria: The Louisiana Local Government Budget Act (RS 39:1311) states that the governing authority shall adopt a budget amendment in an open meeting to reflect such change.

Cause: The budget amendment was not properly adopted.

Effect: The budget was amended without adopting in open meeting.

Response: In the future, the Fire District will follow all requirements of the Louisiana Local Government Budget Act.

EVANGELINE PARISH WARD ONE FIRE DISTRICT NO. 2
VILLE PLATTE, LOUISIANA
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2009

SECTION I - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS

No findings.

SECTION II - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS

No findings.

SECTION III - MANAGEMENT LETTER

No findings.